

## THE SECURITIES ACT

REGULATIONS  
(under section 76)

The Securities (Licensing and Registration) Regulations, 1996	L.N. 65/96 199/2001 113c/2002 106/2003 93 <sup>2</sup> A/2008 148E/2014
The Securities (Disclosure of Interest) Regulations, 1999	L.N. 60D/99
The Securities (Conduct of Business) Regulations, 1999	L.N. 60E/99 113B/2002 105/2003 117 <sup>2</sup> A/2014
The Securities (Central Securities Depository) Regulations, 1999	L.N. 111A/99
The Securities (Take-Overs and Mergers) Regulations, 1999	L.N. 119 <sup>2</sup> A/99 154/2000 101B/2014
The Securities (Mutual Funds) Regulations, 1999	L.N. 119 <sup>3</sup> A/99
The Securities (Collective Investment Scheme) Regulations, 2013	<i>Second Schedule to Act</i>
The Securities (Prudential) Regulations, 2014	L.N. 148F/2014
The Securities (Retail Repurchase Agreements) Regulations, 2014	L.N. 148A/2014

## THE SECURITIES ACT

REGULATIONS  
(under section 76)

## THE SECURITIES (LICENSING AND REGISTRATION) REGULATIONS, 1996

*(Made by the Securities Commission and approved by the Minister  
on the 15th day of May, 1996)*

L.N. 65/96  
Amends:  
L.N. 199/2001  
113C/2002  
106/2003  
937A/2008  
148E/2014

1. These Regulations may be cited as the Securities (Licensing and Registration) Regulations, 1996.

2.—(1) Subject to regulation 5, an individual is eligible to apply for a dealer's licence or an investor adviser's licence if—

- (a) he satisfies one of the following requirements, that is to say—
  - (i) he holds a degree in economics, accounting or business related subjects; or
  - (ii) has a professional qualification in law or accounting; or
  - (iii) has successfully completed a programme of study in securities approved by the Commission; and
- (b) has worked for at least two years in the securities industry; and
- (c) has a net worth of at least ten million dollars or has acquired indemnity insurance for at least that amount.

(2) A company is eligible to apply for a dealer's licence if it maintains capital of at least fifty million dollars.

(3) A company is eligible to apply for an investment adviser's licence if it maintains free assets of at least one million dollars.

(4) An application for registration as a dealer's representative or an investment adviser's representative may be made in relation to an individual who—

- (a) satisfies the requirements specified in paragraph (1) (a); or
- (b) holds a diploma or certificate in economics, accounting or business related subjects from a tertiary institution approved by the Commission.

(5) Where prospective applicants carry on business as a partnership, application under paragraph (1) shall be made by each partner.

(6) In this regulation—

“free assets” in relation to a company, means the net asset worth of the company held in the form of cash and readily convertible securities;

“net worth” in relation to an individual, means the difference between his assets and his liabilities.

**2A.** [Repealed by L.N. 148E/2017]

**2B.** [Repealed by L.N. 148E/2017]

First  
Schedule  
Form A  
Second  
Schedule

**3.—**(1) An application for a dealer’s licence or an investment adviser’s licence, as the case may be, shall be made to the Commission in writing in the form specified as Form A in the First Schedule and shall be accompanied by the appropriate fee specified in the Second Schedule.

Form B

(2) An application for registration as a dealer’s representative or an investment adviser’s representative shall be made to the Commission in writing in the form specified as Form B in the First Schedule and shall be accompanied by the appropriate fee specified in the Second Schedule.

(3) In support of an application under this paragraph, the following documents shall be supplied to the Commission—

(a) in the case of an individual—

- (i) original certificates or other similar documents evidencing qualifications;
- (ii) two passport-size photographs, in colour, certified by a Justice of the Peace or Notary Public to be a true likeness of the applicant or, in the case of an application for registration under section 10 of the Act, a likeness of the person to whom the application relates; and
- (iii) evidence of a business or corporate address other than the applicant’s residential address;
- (iv) such other documents or information as the Commission may require;

(b) in the case of a company—

- (i) copies of the memorandum of association, articles of association and certificate of incorporation, respectively; and
- (ii) such other documents as the Commission may require;

- (c) in the case of a partnership—
  - (i) a copy of the instrument constituting the partnership; and
  - (ii) such other documents as the Commission may require.
- (4) Any copy required pursuant to paragraph (3) shall carry an endorsement by the applicant made before a Justice of the Peace or Notary Public to the effect that the copy is a true and accurate copy of the original.

4.—(1) Where the Commission—

- (a) grants a dealer's licence or an investment adviser's licence pursuant to section 9 of the Act, it shall issue a licence in the form set out as Form C or Form D in the First Schedule, as is appropriate, on receipt of the licence fee set out in the Second Schedule;
- (b) grants registration as a dealer's representative or an investment adviser's representative, it shall issue a certificate of registration in the form set out as Form E or Form F in the First Schedule, as is appropriate, on receipt of the registration fee set out in the Second Schedule.

First  
Schedule  
Form C  
Form D  
Second  
Schedule

Form E  
Form F

(2) Any person—

- (a) licensed as a dealer shall, while so licensed, be entitled to use the title "Licensed Securities Dealer";
- (b) licensed as an investment adviser shall, while so licensed, be entitled to use the title "Licensed Investment Adviser";
- (c) registered as a dealer's representative shall, while so registered, be entitled to use the title "Registered Dealer's Representative"; and
- (d) registered as an investment adviser's representative shall, while so registered, be entitled to use the title "Registered Investment Adviser's Representative".

(3) Where an individual who is licensed as a dealer or an investment adviser dies or resigns from a company licensed under this Act, the company—

- (a) shall notify the Commission of the event within seven days of its occurrence; and
- (b) where such individual was the only individual in the company so licensed, the company shall, within thirty days of the notification take steps to ensure that an application is submitted under these Regulations to the Commission by a director of that company for a dealer's licence or an investment adviser's licence, as the case may require.

5. Notwithstanding that he does not satisfy the requirements of paragraph (1)(a), paragraph (1)(b) and paragraph (4) of regulation 2—

- (a) an individual shall be eligible to apply for a dealer's licence or an investment adviser's licence, if he has been a dealer, or, as the case may be, an investment adviser for a continuous period of at least five years immediately preceding the 20th day of May, 1996; and
- (b) an application may be made for registration as a dealer's representative or an investment adviser's representative in relation to a person who has been dealing in securities, or as the case may be, engaged in the business of giving advice on securities for a continuous period of at least two years immediately preceding the 20th day of May, 1996.

6.—(1) A person who is appointed a responsible officer shall apply to the Commission to be so registered.

(2) An application under paragraph (1) shall be in the form set out as Form G in the First Schedule and shall be accompanied by the fee specified in Item 6 of the Second Schedule and such documents, if any, as the Commission may require.

First Schedule  
Form G  
Second  
Schedule

7. Regulation 6 shall not apply to a person who, being the holder of a dealer's licence, is appointed a responsible officer.

8.—(1) Any company which is desirous of being licensed to establish and operate a central securities depository in relation to eligible securities shall apply to the Commission to be so licensed.

(2) An application under paragraph (1) shall be in the form set out as Form H in the First Schedule and shall be accompanied by the fee specified in Item 7(a) of the Second Schedule and such documents, if any, as the Commission may require.

Form H

9.—(1) The licence to establish and operate a central securities depository shall be in the form set out as Form I in the First Schedule.

Form I

(2) The fees specified in Item 7(b) and (c) of the Second Schedule, shall be paid in respect of the grant of a licence.

10.—(1) An existing dealer shall no later than one year after the commencement of these Regulations, build and maintain capital of fifty million dollars.

Existing  
dealers  
capital

(2) In this regulation "existing dealer" means a person who was granted and has held a dealer's licence under section 7 of the Act, prior to the commencement of these Regulations.